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Column One David Courtney

THE Atlantic Council has a lot to say. Not very much is heard from the meeting. NATO may be given a head and shoulders to lay it. Probably Paris, because Paris is close to SHAPE and the French Government more diligent than the British in making the Atlantic Council agreeable for international relations. London has strong practical claim to the honor; but its social conditions are such, and besides, the British Government's tendency to deal bilaterally with America, and its desire to keep out of the European Defence Community, are taken by Continental nations to mean that London has slipped its European moorings and is floating too far into the Atlantic.

BUT the main business of the Lisbon meeting is to consider, on the basis of the Temporary Council Committee report, the comparative effects of the collective military programme on each country's economy. It is likely to be a delicate occasion. Britain, France and Belgium have already made it plain that they cannot keep the rearmament plans set for them a year ago. The cuts will have to be substantial and the difference, if essential, will have to be made up from some other source; especially as Germany's 40 divisions seem to be far off. The conditions attached to the French approval of a German recruitment long enough for Dr. Schumacher to speak Dr. Adenauer's wobbly wheel decisively, whatever may be the terms of the "peace contract" which will be signed by Dr. Adenauer, "the way is clear."

AFTER the opening of the Ministry sessions at Lisbon, the Foreign Ministers will go to one side, the Defence Ministers to the other and each group will consider what is relevant to it. Mr. Spofford, Chairman of the Council Deputies, will give the Foreign Ministers a "repacked" NATO analysis of Soviet foreign policy, which may or may not come down to the rest of us in one form or another. We lack a sober analysis of the foreign policy of the Soviet. Quite as interesting, with perhaps as useful, will be Mr. Lester Pearson's report, in the name of "Article 21," or the "Atlantic Community" committee, about ways and means of strengthening the political, economic, social and cultural bonds among the Atlantic countries. It is a little idea, which might lead us forward if it were not for the weight of the immediate motive — unified military preparations — which naturally drag down to the level of a mere aspiration, a kindly hint, inscribed on glossy card-board and hung upon the walls of nations too busy making guns and atom bombs and chasing dollar gaps to pay much attention to the pieties of human endeavour.

WHAT the Lisbon gathering may show is that NATO is developing slowly and awkwardly, into an organization which, for the region its membership covers, in authority runs parallel with U.N. and perhaps superior to it. Upon its actions the security and the economy, and therefore the social conditions of every country in Europe and the Middle East depend, rather than upon the actions of U.N. As long as the voting strength of U.N. remains what it is, NATO can be considered in effect both the loyal opposition and the ultimate argument of the majority of the world organization, and therefore of the world organization itself. The "Atlantic Community" idea has taken the place of the World Community idea. This last was built up in hope after a frightful, mainly war; the other has been built up in fear before the threat of a new and worse war. The realists will say that man's fear of his fellow man is more alive than man's hope of his fellow man, and that NATO, as a consequence, is a more realistic conception than U.N. The realists may be right. It is a devastating thought.

Tel Aviv, February 21.

NATO Meets On West Defences

LISBON, Wednesday. — The Ministers of 14 Atlantic Pact nations met here today to discuss new plans for building up Western defence and the part West Germany will play in it.

'Richter' Really Former Nazi Boss
BONN, Wednesday (Reuter). — Franz Richter, extreme right-wing deputy in the West German Parliament, was today arrested on suspicion of concealing his identity and being a former Nazi.

The Bonn Public Prosecutor said he believed Richter's real name was Fritz Roessler, and that he was a former senior Nazi Party official in Saxony.

Allies Fulfil Bonn Demands—Adenauer

BONN, Wednesday (AP). — The Allies have agreed to let West Germany start making armaments except for such ultra-modern weapons as atom bombs and guided missiles, Chancellor Konrad Adenauer said today.

He said that most Allied controls over German industry imposed since the war were to come off, and added that the Germans were also to be permitted to carry out research in the fields of atomic and bacteriological weapons which previously had been banned.

The Chancellor told a crowded news conference that these were some of the fruits of his three-day conference with the Big Three Foreign Ministers in London which ended yesterday. The talks were designed to speed the enrolment of German manpower and industry into the Western defence system.

The Chancellor said he was "well satisfied" with the results of his talks with the U.S., British and French Ministers. He said he felt that the German demands for equality in rearmament had been met, and that the Allies had agreed to let Germany have the same rights as the other nations in the West. He said that the demands were attached by the German Government to the NATO treaty, which was approved for signing by the German Bundestag last week.

There are about 1,000 war criminals in German prisons controlled by the U.S., British and French. The Chancellor said he told the three Western Foreign Ministers West Germany still wanted to become a NATO member, and intended to continue striving for German unity by peaceful means. He said that Germany had territorial claims in the Danubian area, entirely at the disposal of the Anglo-American naval forces.

The paper said, according to Moscow Radio, that Turkey had become the "jumping off ground for imperialist-American forces."

The country's economic position was deteriorating, though millions of U.S. dollars had been spent for military construction and the equipment of the Turkish army, "Pravda" added.

Mrs. Roosevelt In Karachi For Visit
KARACHI, Pakistan, Wednesday (UPI). — Mrs. Eleanor Roosevelt received a hearty welcome in Pakistan on her arrival today on a seven-day visit to the new Muslim state.

A camel caravan, organized by students and social and cultural organizations here, lined the entrance of the airport to greet her. (See Page 2)

No British Pledge To Assist Chiang

LONDON, Wednesday (Reuter). — In the House of Lords today Lord Evers (Conservative), asked whether the Government had been estimated to the U.S. that in certain circumstances it would intervene in the Chinese situation by giving military, naval or air assistance to the Chinese Nationalists on the island of Formosa.

Foreign Under-Secretary Lord Reading replied, "The answer is no." After quoting Mr. Churchill as saying that no issue had arisen about employing General Chiang Kwa-shih on the continent, Lord Reading added, "The British Government has no intention whatever of intervening in the Chinese civil war."

U.N. Adamant On Barring Russia

TOKYO, Wednesday (Reuter). — U.N. negotiators at Panmunjom today still refused to have Russia as one of the nations who would police a Korea armistice.

In a two-hour meeting the senior Allied officer, Colonel Darrow, reminded the Communists of the earlier agreement that neutral inspection teams must be acceptable to both sides. He said Russia was not acceptable. No reasons would be given.

Col. Darrow said the Communists had rejected an offer to clip the number of troops to be allowed in monthly rotation by 5,000 — to 30,000. The Communists want only 30,000.

A Communist proposal in the preliminary stage, however, according to U.N. sources, contained minor concessions but still rejected the principle of voluntary repatriation.

Amr Bringing Eden Message to Maher

CAIRO, Wednesday. — Abdul Pasha Amr Pasha is returning here by plane tomorrow following his talks with Foreign Secretary Anthony Eden in London, where he attended the King's funeral, to report on his mission, according to the Egyptian press.

In a dispatch from London, the "Al Zaman" said Amr Pasha is carrying a private message from Mr. Eden to Maher. While Egyptian press comments continued to refer to the imminent resumption of Anglo-Egyptian talks, the Egyptian press also reported that the future of the Canal Zone and of Premier Ali Maher's Cabinet will probably be settled in the next fortnight.

These observers saw signs of renewed political unrest, and regard the Maher Government as likely to fall at any time. A face-saving formula for an agreement with Britain can be found quickly.

Meanwhile, the "Al Misi" today stated that British Ambassador Sir Ralph Stevenson is to see Maher today on Saturday to confer on the agenda of their talks.

Cairo Radio today quoted Maher as saying in an interview with representatives of foreign universities that he should Anglo-Egyptian talks be resumed they will be held in London.

Maher also announced that the Government will open four special military training centres in each of the universities.

German-Jewish Talks Due On March 17; Belgium Likely Site

By George Lichtblau, POST Correspondent

LONDON, Wednesday. — March 17 has been provisionally fixed as the date for the German-Jewish talks in Belgium, which will be held in the presence of additional arguments for lengthening the period of payment.

Germany's new economic programme to a serious operation, he said the final formula will be worth the accompanying pain and hardship.

Knesset Approves N.E.P.; Stock-Check Begins; Paper Print Out

Talks on New Prices in Tel Aviv Ben Gurion Winds Up 3-Day Debate

TEL AVIV, Wednesday. — Dr. Dov Joseph will meet with the Bank of Israel President on Friday to discuss the allocation and pricing of new stocks, it was learned here tonight after six-hour meetings between representatives of the Ministry of Commerce and Industry and of the Manufacturers Association. About 300 manufacturers and businessmen gathered at the Association headquarters to wait for the end of the session.

The main points discussed were the inspection of stocks which began today, pricing, and a government order issued this morning forbidding the movement of goods without official authorization.

It is understood that basic agreement was reached at the meetings, and at the end of the session manufacturers' representatives came out and told the businessmen, who had assembled to facilitate the inspections.

A special committee of Government and Manufacturers representatives will sit at from tomorrow morning to consider cases of hardship and iron out any snags that arise.

During the day two-man inspection teams from the Ministry checked stocks in factories and import and wholesale houses. The inspection followed included an inspection of books, permits and import licences, and in general the goods themselves were inspected only if irregularities were found.

600 Men Participate
The two-man teams included an official of the Ministry familiar with the goods to be checked, and an inspector of the Ministry. In many cases, heads of sections and departments of the Ministry took part in the checks. About 600 men are taking part, and they expect to finish on Friday night. About a third of the inspectors were taken from Haifa and the Haifa District. Ministry staffs worked until 1 a.m. yesterday morning preparing the plans which went into effect at 8 a.m. today.

In most cases, the trade reacted courteously to the inspection teams, although there was some grumbling over reports that stocks will be frozen as from tomorrow, and that after the check, goods will be sold at the new prices. Manufacturers said they had heard that they would have to turn over to the Treasury the difference between old and new prices. They believed such funds would go into a special account.

General Principle
The general principle of the registration was to check stocks obtained with foreign currency or through barter agreements, but not goods bought under the "non-payment" import system.

A Ministry spokesman announced that a special inter-departmental committee will fix new prices for commodities immediately after the stock-taking is completed. The new prices of essential commodities will be fixed first to the public with the least possible delay, it was said.

The inter-departmental committee, comprising top officials and legal advisers of the Ministries of Finance and Commerce, held its first meeting here today. The question of fuel and electricity prices was reported to have been discussed.

Only Half Million More Circulating

TEL AVIV, Wednesday. — The rapid pace in the increase of currency in circulation slowed down this week. The total was IL 110,907,734.50 — half a million pounds more than last week. The rise involved treasury bills which went up from IL 32,510,000 to IL 33,010,000.

Horowitz Broadcast On Economic Programme

We are living above our means — dangerously so, even in certain fields our standards are lower than desirable, Mr. David Horowitz, Director General of the Ministry of Finance, told the nation last night in a radio broadcast.

Comparing the Government's new economic programme to a serious operation, he said the final formula will be worth the accompanying pain and hardship.

POINT 4 ADVISER ARRIVES HERE

LYDDA AIRPORT, Wednesday (ITIM). — Mr. Stanley Andrews, special adviser of the State Department on Point 4 affairs, arrived here by TWA today. He was met by Mr. Bruce McDaniel, U.S. grant-in-aid administrator. Mr. Andrews will discuss Point 4 matters with the Ministers of Finance and Agriculture during his two-day visit.

The draft agreement for the release of grain-in-kind funds arrived here today and negotiations on the signature will begin this week between Mr. McDaniel and the Government.

The Government yesterday obtained a 55-44 confidence vote at the close of the three-day debate on its economic and fiscal reforms. An Opposition non-confidence motion was defeated 19-44. The discrepancy between the two tallies is accounted for by the action of the Progressives who voted against the Opposition motion, but abstained on the confidence motion.

The four parties which cast the 44 Opposition votes were united only in their opposition to the Government, while they were at odds with each other over the evaluation of the New Economic Plan. Mapam and the Communists joined the Coalition in voting down the General Zionists' alternative plan, while the General Zionists and Herut joined with the Coalition in opposing the motions by the leftist parties.

The General Zionists answered charges made throughout the debate that they had no alternative proposals by putting up for a vote an eight-point programme incorporating suggestions made during the debate by Dr. Peretz Bernstein, Mr. Elihu Eliahar, Mr. Israel Rokach and Mr. Joseph Saphir.

By advocating even more far-reaching legislation, their proposals tacitly admitted that some of the measures in the Government plan were steps in the right direction. Whereas the Government had said that as a deflationary measure the ordinary and security budgets would be balanced by internal revenue and that no more Treasury bills or State bonds would be issued, the General Zionists proposed that Government revenue should exceed expenditure and that the surplus should be used to redeem Government securities from the banks. They called for sharp retrenchment and for income tax reforms to achieve the desired budgetary surplus.

Two Million Paper 50, 100 Mil Notes

About two million 50 mil and 100 mil Finance Ministry notes, totalling IL 200,000 and having the force of legal tender, were put into circulation in Jerusalem yesterday and dispatched to other parts of the country to ease the present coin shortage. In announcing the release of the paper notes, the Ministry struck off sharply at the hoarding of metal coins and warned that, should this practice continue, metal coins would be invalidated as legal tender.

The Ministry announcement, which stressed that the present supply of metal coins would suffice for all regular market purposes were it not for the hoarding of metal coins, was a warning that the Government had direct control to keep prices within reason. (In the debate, party speakers estimated that the Government controlled over 80 per cent of the economy. They also called for the abolition of all controls, except those on essential foods, imports and credits.)

In another proposal, the General Zionists asked that foreign currency be used in the immediate future to secure supplies of raw materials and consumer goods in order to achieve the full utilization of our current production potential. This proposal meant that imports of capital goods with public funds should be stopped for the time being. The party also called for the consolidation of foreign debts with a view to redeeming them shortly "on the basis of the effort to stabilize the currency."

The General Zionists' proposals did not comment on the new party policy designed to introduce competition into agricultural and industrial production. The party did advocate "a regime of free competition to make enterprises efficient and to increase productivity."

Finally, they called for the attraction of foreign investment capital. Their proposals were defeated 77-23.

The left wing parties held that the multiple exchange rates, the new price and raw materials policies giving advantages to large and efficient enterprises, the reduction of restrictions on non-payment imports and the pegging of the sheqel to the dollar would bring hardship to all sections of the community for several months until the situation is stabilized. But, he said, it was hoped that finally the black market rate would be broken down to approximately one dollar for one Israeli pound and would stabilize itself at that rate.

Mr. David Pinkas, the Minister of Communications, in reply to Dr. Moshe Shohat, said that the Mapam economic plan would lead to mass starvation, economic paralysis, complete stoppage of immigration and the weakening of national security. The Minister then told Dr. Bernstein that the General Zionists' proposal to decontrol foreign currency would lead to price increases many times greater than those expected to follow the introduction of multiple rates of exchange.

Mr. Pinkas admitted that the reforms would bring hardship to all sections of the community for several months until the situation is stabilized. But, he said, it was hoped that finally the black market rate would be broken down to approximately one dollar for one Israeli pound and would stabilize itself at that rate.

New Fish, Chicken Prices Announced
Higher prices for most types of frozen fish go into effect today.

The new prices are: fish fillet, 40 cents; fish bones, 30 cents; frozen fish will sell for 250 cents a kilogram except frozen mackerel and herring which remain unchanged at 200.

The new prices for live poultry will become effective on Sunday as 920 cents. H.L. 1.125 and H.L. 1.200 a kilogram, depending on size. Poultry will receive an average of H.L. 1 a kilogram.

ISRAELI CONFERENCE IN WASHINGTON MARCH 1
A two-day Emergency National Conference of U.S. Jewish leaders is to convene in Washington on March 1. It has been called on the initiative of Ambassador Abba Eban to consider the Independence Bond Drive in connection with Israel's economic requirements. Labour Minister Golda Myerson is leaving on Sunday to participate.

Mapam Trial On Lifshitz Deviation
TEL AVIV, Wednesday. — The Mapam political committee and secretariat tonight voted to seek the expulsion of Mr. David Lifshitz, MK, at a Party trial on charges of undermining the organization and taking action to form his own party faction.

The charges are related to the recent speech by Mr. Lifshitz in the Knesset foreign affairs debate when he deviated from the Party's line and action in collecting signatures for a "backers" to form his own group. His supporters include the Knesset Deputy Speaker, Mr. H. Landau, and a Mapam member of the Tel Aviv Municipal Council, Mr. Merced Ben Haiman.

Mr. Lifshitz did not attend tonight's meeting, which was held in the absence of the Party if he kept his word.

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